

merchants were stimulated to increase their importations—speculation was fostered, and credit extended, with the delusive hope of removing embarrassments, originating in a trade burdened and overtaxed. (The Banks lent themselves to the madness of the hour, their circulation was enlarged, their ability to sustain themselves diminished, and the destruction of the Bank of the United States completed the work of ruin. But not only was the period for imposing the Tariff most unpropitious, but the inducement for so doing (the payment of the public debt) most unsatisfactory and unwise.) We were called upon by no principle of justice, of wisdom or of patriotism to discharge that debt at that moment. It was a debt created by our two wars, and under peculiar circumstances. We entered the money market as a borrower—young and with impaired credit. Our institutions new and untried, and their stability often questioned. Capitalists availed themselves of all these disadvantages, and imposed upon us the highest premium for the use of their funds. It was a mere money arrangement, necessity on the one hand, and profit on the other, involving no one principle of patriotism or liberality.

The Reports of the Secretary of the Treasury show that the Government was often most usuriously dealt by. We were then under no obligation to the public creditor to anticipate his demands, and it surely was neither wise, patriotic or just for any object, short of absolute necessity—thus to oppress an already exhausted and prostrate country.

Considered in a financial point of view, we are still more at a loss to understand the unnecessary haste of the Government in paying the public debt. A large portion of it bore an interest of 3, 4, 4½ & 5 per cent., and money, at the time it was discharged, was worth the full legal interest of the country, from 6 to 8 per cent. Drawing money from the People under such circumstances to pay to capitalists—many of them foreigners—was a financial operation, the wisdom of which may well be questioned. This Tax, thus imposed, and thus collected and disbursed, from the many to the few, soon again sought investments in stocks—in Factories, in Bonds of Merchants and speculators, at an interest of from 6 to 8 per cent. A very small portion however, found its way to the South. The high rate of interest in New York, and her great natural and factitious advantages for trade and commerce, presented attractions which we of this section could not boast, and most of the investments concentrated at that point.

It may not be unprofitable, and it is certainly interesting, to examine for a moment, the enormous amount collected from the people in twenty (20) years by the demands of the Federal Government:

Say Public Debt in 1816	- - - -	\$ 120,000,000
Interest on half as reduced at 5 per cent.	- - - -	\$ 60,000,000
Surplus	- - - -	\$ 41,00,000
20 years support of Gov't. at 15 millions per year	- - - -	\$ 300,000,000
Showing the extraordinary sum of	- - - -	\$ 521,000,000

subtracted from the earnings of industry in 20 years to pay the Public Debt and interest; support the General Government and create a surplus. I have dealt in round numbers without regard to fractions. It is sufficiently accurate for my purpose, which is merely to exhibit the astounding amount of Taxes which is levied on the consumers of foreign merchandize, besides the extra amount paid on goods expelled from our market by the Tariff, which we had to obtain from manufactories of this country.

This disposition of this money in seeking the new investments to